

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

TALTECH LIMITED,

Plaintiff,

v.

ESQUEL ENTERPRISES LTD.,

Defendant.

No. C04-974Z

ORDER

This matter came before the Court on Esquel Enterprises Ltd.'s ("Esquel") Motion for Summary Judgment, docket no. 196. The Court entered an Order on August 23, 2006, denying the motion as to the best mode requirement and deferring the motion as to non-infringement. Order, docket no. 215. After hearing oral argument of counsel on August 24, 2006, the Court entered a Minute Order on August 31, 2006, granting in part and denying in part the motion as to non-infringement. This Order explains the Court's August 31, 2006 ruling on Esquel's motion for summary judgment of non-infringement.

A. Present Motion

Esquel moved for summary judgment of non-infringement as to all claims asserted by Taltech Limited ("Taltech") (i.e., dependent claims 11, 12, 14 and 29 of Taltech's United States Patent No. 5,590,615 ("the '615 Patent") and dependent claims 18, 25, and 26 of

1 United States Patent No. 5,568,779 (“the ‘779 Patent”) (collectively referred to as the
2 “patents-in-suit”).

3 **B. Esquel’s Seams**

4 Esquel manufactures the armhole seams of its wrinkle-free shirts in general
5 accordance with Charts D, E, and F of the “Wrinkle Free Seam Taping Protocol for U.S.
6 Market.” Stolte Decl., docket no. 197, Ex. A (Zhang Decl.) at ¶ 2, and Ex. 1; see also
7 Taltech’s Opp’n, docket no. 203, at 5 (citing Charts E and F). Mr. Zhang, Esquel’s Research
8 and Development Director, explains Esquel’s dress shirt armhole seam manufacturing
9 operation:

10 A sewing machine operator positions and feeds the sleeve horizontally along
11 the bed of the sewing machine while simultaneously feeding the adhesive tape
12 [i.e., the bonding element] in a vertical orientation to a folder which folds the
13 tape around the edge of the sleeve in a U-shape. The tape is never laid flat
14 onto the sleeve. . . . (¶ 4; see also ¶ 7, Chart D)

15 In another operation performed by a different sewing machine operator on a
16 different machine, a second U-shaped adhesive tape is sewn onto the edge of
17 the front panel that will ultimately form part of an armhole seam. The tape is
18 fed into the sewing machine vertically and enters a folder which folds the tape
19 into a U-shape around the edge of the front panel. The tape is never laid flat
20 on the front panel and there is no unfolded portion of the tape. . . . (¶ 5; see
21 also
22 ¶ 7, Chart D)

23 In another operation performed by another sewing machine operator on a
24 different machine, a third U-shaped tape is sewn onto the edge of the back
25 panel that will ultimately form part of the armhole seam. The same vertical
26 tape feeding and folding actions . . . occur with respect to the back panel.
27 . . . (¶ 6; see also ¶ 7, Figure 1/Chart D)

28 A yoke bridges the front and back panels and completes the shirt body. . . . In a
29 significant portion of the wrinkle-free shirts that Esquel has manufactured for
30 sale in the United States, Esquel does not sew any tape or adhesive material
31 onto the armhole edges of the yoke. . . . (¶ 8; see also ¶ 11, Figure 4)

32 In a later operation . . . [t]he sewing machine operator positions the shirt body
33 formed by the front panels, back panel and yoke over the unfolded portion of
34 the sleeve . . . [and] sews two rows of stitches affixing the sleeve to the shirt
35 body. . . . (¶ 9; see also Figure 2/Chart E)

36 Next, the shirt body is folded over the seam already formed such that the two
rows of stitches previously sewn are covered and a top stitch is sewn.

1 . . . (¶ 10; see also Figure 3 / Chart F)

2 After the top stitch forming the seam has been sewn, the shirt is passed to an
3 ironing press where heat and pressure are applied to the seams. During this
operation, the U-shaped tapes melt . . . (¶ 12; see also Figures 5 and 6).

4 Stolte Decl., docket no. 197, Ex. A (Zhang Decl.).

5 Mr. Zhang elaborated about Esquel's use of a bonding element at the armhole edge of
6 the yoke: "The only shirts that Esquel manufactures for sale in the United States that did
7 feature a U-shaped adhesive tape affixed to the armhole edge of the yoke were sold (FOB
8 Hong Kong) to Mast Industries (Far East) Ltd. of Hong Kong . . . in October 2004."

9 Esquel's Reply, docket no. 209, Ex. J (Zhang Decl.) ¶ 4. "In all, the number of shirts with
10 tape affixed to the armhole edge of the yoke that Esquel has sold for shipment to the United
11 States market amount to 24,489 units." Id. ¶ 5; see also Taltech's Reply, docket no. 211,
12 Appendix 4 (Email from S. Hoeft, August 4, 2006).

13 **C. Summary Judgment Standard**

14 Summary judgment is appropriate "if the pleadings, depositions, answers to
15 interrogatories, and admissions on file, together with the affidavits, if any, show that there is
16 no genuine issue as to any material fact and that the moving party is entitled to a judgment as
17 a matter of law." FED. R. CIV. P. 56(c); see Anderson v. Liberty Lobby, Inc., 477 U.S. 242,
18 248, 250 (1986). "The evidence of the non-movant is to be believed, and all justifiable
19 inferences are to be drawn in [the non-movant's] favor." Anderson, 477 U.S. at 255.

20 **D. Legal Standard for Infringement / Non-Infringement**

21 "An infringement analysis entails two steps." Markman v. Westview Instruments,
22 Inc., 52 F.3d 967, 976 (Fed. Cir. 1995). "The first step is determining the meaning and
23 scope of the patent claims asserted to be infringed." Id. "The second step is comparing the
24 properly construed claims to the device accused of infringing." Id. The first step of
25 construing the patent claims "is a matter of law exclusively for the court." Id. at 977. On
26 January 19, 2006, the Court construed thirteen claims in the patents-in-suit. Order, docket

1 no. 150 (the “Markman Order”). To the extent further claim construction is required at the
2 summary judgment stage, “the district court has considerable latitude in determining when to
3 resolve issues of claim construction.” CytoLogix Corp. v. Ventana Med. Sys., Inc., 424 F.3d
4 1168, 1172 (Fed. Cir. 2005). “The second step, determination of infringement, whether
5 literal or under the doctrine of equivalents, is a question of fact.” Bai v. L & L Wings, Inc.,
6 160 F.3d 1350, 1353 (Fed. Cir. 1998).

7 To succeed on summary judgment, Esquel must show that Taltech’s “proof is
8 deficient in meeting an essential part of the legal standard for infringement.” Telemac
9 Cellular Corp. v. Topp Telecom, Inc., 247 F.3d 1316, 1323 (Fed. Cir. 2001). As a result,
10 Esquel must demonstrate that Taltech’s proof is deficient in demonstrating both literal
11 infringement and infringement under the doctrine of equivalents. See Stiftung v. Renishaw
12 PLC, 945 F.2d 1173, 1178 (Fed. Cir. 1991) (“Infringement of a claim requires that the
13 accused device meet every limitation of the claim, either literally or by equivalents.”).

14 Literal infringement requires that “the accused product or process meets every
15 element or limitation of a claim.” Rohm and Haas Co. v. Brotech Corp., 127 F.3d 1089,
16 1092 (Fed. Cir. 1997). “Where the parties do not dispute any relevant facts regarding the
17 accused product, . . . but disagree over possible claim interpretations, the question of literal
18 infringement collapses into claim construction and is amenable to summary judgment.”
19 General Mills, Inc. v. Hunt-Wesson, Inc., 103 F.3d 978, 983 (Fed. Cir. 1997).

20 Equivalence between an element in an accused product (or step in an accused method)
21 and a claim limitation can be determined under either the triple-identity test – i.e., based
22 upon an examination of “the function served by a particular claim element, the way that
23 element serves that function, and the result thus obtained by that element” – or under the
24 “insubstantial differences” test – i.e., by asking whether the differences between the
25 elements/steps are “insubstantial” to one of ordinary skill in the art. See Warner-Jenkinson
26 Co., Inc. v. Hilton Davis Chem. Co., 520 U.S. 17, 39-40 (1997). In other words, “the role

1 played by each element in the context of the specific patent claim” must be analyzed to
2 “inform the inquiry as to whether a substitute element matches the function, way, and result
3 of the claimed element, or whether the substitute element plays a role substantially different
4 from the claimed element.” Id. at 40.

5 The claims asserted by Taltech are dependent claims. Because “[a] claim in
6 dependent form shall be construed to incorporate by reference all the limitations of the claim
7 to which it refers,” 35 U.S.C. § 112, paragraph 4, a product or method that does not include
8 all of the claim limitations in an independent claim cannot infringe the claims dependent on
9 that claim. See Robotic Vision Sys., Inc. v. View Eng’g, Inc., 189 F.3d 1370, 1376 (Fed.
10 Cir. 1999); Wahpeton Canvas Co., Inc. v. Frontier, Inc., 870 F.2d 1546, 1552 n.9 (Fed. Cir.
11 1989) (“One who does not infringe an independent claim cannot infringe a claim dependent
12 on (and thus containing all the limitations of) that claim.”). Esquel contests that its method
13 and shirts do not include all of the claim limitations in the independent claims of the patents-
14 in-suit (i.e., Claims 1 and 19 of the ‘615 Patent, and Claims 1 and 20 of the ‘779 Patent), and
15 therefore do not infringe the dependent claims asserted by Taltech.

16 **E. Analysis of Esquel’s Motion**

17 **1. Folded Bonding Elements**

18 First, Esquel argues that it does not infringe any of the asserted claims because
19 Esquel’s shirts and method use a folded bonding element. Esquel notes that the Court’s
20 Markman Order, at page 11, states that “the claims do not include any folding of the bonding
21 element.” Although this is an accurate quote, Esquel takes the statement out of context. The
22 Court was not construing “a bonding element” when it made this statement; rather, the Court
23 was explaining why it was rejecting Esquel’s proposed construction for “upper surface” and
24 “lower surface.” Although the specifications of the patents-in-suit show an unfolded
25 bonding element, the claims do not preclude the use of a folded bonding element. See
26 Teleflex, Inc. v. Ficosa N. Am. Corp., 299 F.3d 1313, 1328 (Fed. Cir. 2002) (noting that the

1 Federal Circuit has “cautioned against limiting the claimed invention to preferred
2 embodiments or specific examples in the specification.”). As agreed to by Esquel at oral
3 argument, the Court’s construction of “a bonding element” to mean “one or more substances
4 or constituents of a whole that bind, fasten, fuse, confine, or hold together” does not
5 foreclose the use of a folded bonding element. See Markman Order at 24. Accordingly, the
6 Court rejects Esquel’s “folded bonding element” argument as a basis for summary judgment
7 of non-infringement.

8 **2. “Upper Surface” and “Lower Surface” Designations**

9 Second, Esquel argues that it does not infringe any of the asserted claims because the
10 U-shaped bonding elements in Esquel’s armhole seams do not meet the “upper surface” and
11 “lower surface” limitations in each independent claim of the patents-in-suit. Step (c) of
12 claim 1 of the ‘615 Patent requires “providing a bonding element having an upper and lower
13 surface” ‘615 Patent at 6:37-38; see also ‘615 Patent at 8:2-3 (independent claim 19 of
14 the ‘615 Patent requires “a bonding element . . . having an upper and lower surface”); ‘779
15 Patent at 6:33-35 and 6:42-43 (independent claim 1 of the ‘779 Patent requires a bonding
16 element with an upper and lower surface); ‘779 Patent at 8:8-9 (independent claim 20 of the
17 ‘779 Patent requires “a bonding element . . . having an upper and lower surface”).

18 The Court construed “upper surface” and “lower surface” as follows:

19
20 “Upper surface” and “lower surface” are designated at the time the first set
21 stitch is applied, and the upper and lower surfaces of a component/element are
22 opposing surfaces through a thickness of the component/element, providing
23 that the “upper surface” faces upward and the “lower surface” faces downward
24 at the time of designation along the unfolded portions of the garment
25 components, and providing that the upper surface and lower surface
26 designations of the garment components remain consistent around folds
required in the claim.

1 Markman Order at 11.¹ The Court did not, and need not, address whether the upper and
2 lower surface designations must remain consistent around folds of a bonding element
3 because the claims do not require a folded bonding element. The upper and lower surfaces
4 of a folded bonding element can be designated under the Court's construction so long as the
5 bonding element, at the time the first set stitch is applied, has horizontal aspects such that
6 one surface faces up and the opposing surface faces down.

7 Esquel's bonding elements, although folded, have horizontal aspects. Esquel's expert,
8 Dr. Fred L. Cook, in describing Esquel's U-shaped tapes, discusses the "vertical and
9 horizontal planes of symmetry" and states that "the four planar 'wings' of the I-beam
10 projecting at 180 degrees away from the center column can independently react to an applied
11 sheer stress . . . without depending on or impacting each other." Stolte Decl., docket no.
12 197, Ex. G (Rebuttal Expert Report of Dr. Cook) at 19. Another one of Esquel's experts,
13 Mr. Haddock, identified the horizontal segments of Esquel's bonding elements during his
14 deposition. Taltech's Opp'n, docket no. 203, Appendix 1 (Haddock Dep. of June 28, 2006)
15 at 79:11-81:11.

16 To enable a comparison of Esquel's accused method and shirts to the claims, the
17 Court designates the upper and lower surfaces of Esquel's bonding elements as described in
18 the diagrams on page 14 of Taltech's motion, docket no. 198. The Court limits its
19 designation of upper and lower surfaces of Esquel's bonding elements to the upper,
20 horizontal portions of the bonding elements. The Court does not express any opinion as to
21 how the surfaces of the vertical portions of the bonding elements or the lower, horizontal
22 portions of the bonding elements should be designated because this additional bonding

23
24 ¹ Esquel asks the Court to "designate[] the U-shaped tape's surfaces from the bottom
25 upwards. . . ." Esquel's Mot., docket no. 196, at 17:18. In the Markman Order, the Court
26 rejected Esquel's proposed convention for labeling the surfaces from the bottom of the seam
construction and working upwards. Markman Order at 10 n.2. The Court declines to
reconsider its ruling. The Court also rejects Esquel's proposed "outer surface" and "inner
surface" designations, as irrelevant to the claims. See Esquel's Mot., docket no. 196, at 17.

material cannot be used to avoid infringement.² See Vivid Tech., Inc. v. Am. Sci. & Eng'g, Inc., 200 F.3d 795, 811 (Fed. Cir. 1999) (“[A claim using] the signal ‘comprising’ . . . is generally understood to signify that the claims do not exclude the presence in the accused apparatus or method of factors in addition to those explicitly recited”); Phillips Petroleum Co. v. Huntsman Polymers Corp., 157 F.3d 866, 874 (Fed. Cir. 1998) (“The use of . . . ‘which comprises’ in the composition and process claims generally would mean that the claims require [the recited limitations], but that additional elements or process steps may be present.”); Genentech, Inc. v. Chiron Corp., 112 F.3d 495, 501 (Fed. Cir. 1997) (“‘Comprising’ is a term of art used in claim language which means that the named elements are essential, but other elements may be added and still form a construct within the scope of the claim.”). Even if this additional bonding material improves the patented invention by making the seam “stronger” and “less susceptible to puckering,” as Dr. Cook has opined, see Stolte Decl., docket no. 197, Ex. G at 20, “an improvement upon a patented device does not necessarily avoid infringement.” Stiftung, 945 F.2d at 1179. Accordingly, the Court rejects Esquel’s “upper and lower surface” argument as a basis for summary judgment of non-infringement.

3. Folded/Folding . . . Such That

Third, Esquel argues that it does not infringe product claims 25 and 26 of the ‘779 Patent because Esquel’s sleeves are not “folded such that” a portion of the lower³ surface of the sleeve (i.e., the second garment component) abuts the lower surface of a bonding element. Claims 25 and 26 of the ‘779 Patent are dependent on independent claim 20 of the ‘779 Patent. Element (c) of claim 20 of the ‘779 Patent requires, in pertinent part, that a

² As a result, the diagram shown at the bottom of page 9 of Taltech’s Opposition, docket no. 203, goes beyond the Court’s ruling by assigning surface designations to the lower, horizontal portions of the bonding elements.

³ Esquel mistakenly stated “upper” in its motion, in the heading and topic sentence on page 19.

1 second garment component is “folded such that a portion of said lower surface of the second
2 garment component is bonded to the lower surface of the bonding element” ‘779 Patent
3 at 8:19-21.

4 Similarly, Esquel argues that it does not infringe method claim 18 of the ‘779 Patent
5 because the folding that occurs in Esquel’s seam manufacturing process does not create the
6 abutment required by independent claim 1 of the ‘779 Patent, on which claim 18 depends.
7 Step (e) of claim 1 of the ‘779 Patent requires “folding a portion of the second garment
8 component such that a lower surface of the second garment component abuts the lower
9 surface of the bonding element.” ‘779 Patent at 6:43-45.

10 In the Markman Order, the Court construed “folding . . . such that” to mean “folding,
11 which creates or results in the relationship described following ‘such that’.” Markman Order
12 at 41. The Court was not asked by the parties to construe “folded . . . such that.” Contrary
13 to the position taken in Taltech’s summary judgment briefs, Taltech agreed with Esquel’s
14 position at oral argument that “folded . . . such that” should be construed the same as
15 “folding . . . such that.” The Court thus adopts the same construction for both terms.

16 Esquel contends that no portion of the second garment component is ever folded to
17 create the requisite abutment between the lower surface of the second garment component
18 and the lower surface of the bonding element. Stolte Decl., docket no. 197, Ex. F (Haddock
19 Rebuttal Rep.) at 15 (“ . . . the abutment . . . between the sleeve fabric and the U-shaped tape
20 is created at the beginning of the Esquel process when the sleeve fabric is flat,” not as a
21 result of the folding of the sleeve fabric [i.e., the second garment component]). In response,
22 Taltech submits an expert opinion that: “The fold created by the folder [of the second
23 garment component] results in the lower surface of the second garment component (sleeve)
24 abutting the lower surface of the bonding element.” Taltech’s Opp’n, docket no. 203,
25 Appendix 2 (Nienke Decl.) ¶ 12. Taltech has raised a genuine issue of material fact as to
26 whether Esquel’s method literally infringes (i.e., whether it contains the “folding . . . such

1 that” and “folded . . . such that” limitations of claims 1 and 20 of the ‘779 Patent,
2 respectively).

3 Taltech further argues that it could prove step (e) of claim 1 of the ‘779 Patent under
4 the doctrine of equivalents, and Taltech has submitted the expert opinion of Mr. Jack L.
5 Nienke in support of this argument. Taltech’s Opp’n, docket no. 203, Appendix 2 (Nienke
6 Decl.) ¶¶ 13-15. Esquel’s expert has rebutted Mr. Nienke’s doctrine of equivalents
7 argument. Stolte Decl., docket no. 197, Ex. F (Haddock Rebuttal Rep.) at 16-18. There are
8 genuine issues of material fact precluding summary judgment under the doctrine of
9 equivalents.

10 Due to the genuine issues of material fact, the Court rejects Esquel’s “folded/folding
11 . . . such that” argument as a basis for summary judgment of non-infringement.

12 **4. Abuts**

13 Fourth, Esquel argues that it does not infringe product claim 29 of the ‘615 Patent and
14 product claims 25 and 26 of the ‘779 Patent because the surfaces of the front and back panel
15 do not abut along the seam. Claim 29 of the ‘615 Patent is dependent on independent claim
16 19 of the ‘615 Patent, and claims 25 and 26 of the ‘779 Patent are dependent on independent
17 claim 20 of the ‘779 Patent. Elements (c) and (d) of claim 19 of the ‘615 Patent and of claim
18 20 of the ‘779 Patent require that a portion of the upper surface of the second garment
19 component abuts a portion of the lower surface of the first garment component.

20 The Court construed “abuts” to mean “touching (i.e., having direct contact).”
21 Markman Order at 19. In Esquel’s seam, a bonding element is present between the garment
22 components. Taltech argues that despite the presence of the bonding element between the
23 garment components, it could prove that the necessary abutment occurs. Taltech’s expert,
24 Dr. David M. Hall, has testified that direct contact constituting abutment occurs in two areas
25 and that he has personally seen such direct contact using a scanning electron microscope
26 (“SEM”). Taltech’s Opp’n, docket no. 203, Appendix 3 (Hall Decl.) ¶¶ 13-25, Exs. 3-4.

1 Taltech's submission of the SEM evidence is an attempt to alter the Court's construction of
2 "abuts" to mean "touching, i.e., having direct contact, as viewed under a scanning electron
3 microscope." Because persons having ordinary skill in the art of garment manufacture do
4 not use scanning electron microscopes, the Court will not construe abuts in this manner.
5 Taltech's expert, Dr. Hall, admits that persons having ordinary skill in the art of garment
6 manufacture do not use scanning electron microscopes. In his deposition, Dr. Hall testified
7 as follows:

8 Q: Would [a person of ordinary skill in the art] have been taught how to
9 use a scanning electron microscope?

10 A: No.

11 Q: Would he know how to use one?

12 A: No.

13 Esquel's Reply, docket no. 202, Ex. I (Hall Dep.) at 29:15-30:11.

14 Furthermore, in the Markman Order, the Court expressly rejected Taltech's
15 proposition that surfaces of garment components separated by a bonding element "abut."
16 See, e.g., Markman Order at 16 ("The surfaces of garment components cannot 'abut' if there
17 is a bonding element in between them."); id. at 17 ("The only time that the claims clearly
18 describe one garment component abutting another is when there is no bonding element
19 between them."); id. at 18 ("... the specifications also support Esquel's proposed
20 construction that 'abuts' does not signify a relationship between the surfaces of two garment
21 components with a bonding element in between them.").

22 Taltech also asserts that the garment components abut in the dark orange area depicted
23 in Exhibit 3 to the Hall Declaration. Taltech's Opp'n, docket no. 203, Appendix 3 (Hall
24 Decl.) at Ex. 3. That abutment is irrelevant because it does not meet the claim requirement
25 for abutment along the seam, in light of the Court's construction of seam to mean "the place
26 where at least two pieces of fabric are joined by at least two rows of stitches." Markman

1 Order at 28. The dark orange area shown in Exhibit 3 to the Hall Declaration is outside the
2 seam. Abutment outside the seam does not satisfy the claim limitation.

3 No reasonable factfinder could conclude that the necessary abutment occurs in
4 Esquel's seams. Thus, as a matter of law, the Court concludes that Esquel's seams do not
5 literally infringe claim 29 of the '615 Patent and claims 25 and 26 of the '779 Patent.

6 Esquel also moves for summary judgment on the grounds that the doctrine of
7 equivalents cannot apply if it would read the abutting limitation out of the claim. See
8 Warner-Jenkinson, 520 U.S. at 29 ("It is important to ensure that the application of the
9 doctrine [of equivalents], even as to an individual element, is not allowed such broad play as
10 to effectively eliminate that element in its entirety."). Taltech's expert opines that "the
11 difference between the two fabric surfaces directly contacting each other and having
12 intervening tape material between those fabric surfaces is not substantial so that there would
13 be infringement under the doctrine of equivalents." Taltech's Opp'n, docket no. 203,
14 Appendix 2 (Nienke Decl.) ¶ 17. He explains why he believes the differences are not
15 substantial. See id. This opinion is sufficient to overcome Esquel's motion for summary
16 judgment on the doctrine of equivalents issue. As previously noted, Taltech may rely on the
17 "insubstantial differences" test to demonstrate equivalence. See Warner-Jenkinson, 520 U.S.
18 at 39-40.

19 Accordingly, the Court GRANTED IN PART and DENIED IN PART Esquel's
20 motion for summary judgment. The motion was granted on the abutment issue as follows.
21 As a matter of law, Esquel does not literally infringe claim 29 of the '615 Patent or claims 25
22 and 26 of the '779 Patent because Esquel's seams do not contain the necessary abutment
23 between garment components required by these claims. The motion was denied as follows.
24 Whether there is infringement of these claims under the doctrine of equivalents remains to be
25 determined at trial.

26 //

1 **5. Yoke**

2 Fifth, Esquel argues that it does not infringe any of the asserted claims because “[i]n
3 the yoke portion of a significant portion of Esquel’s wrinkle free shirts, there is no lower
4 surface of a bonding element that abuts the upper surface of the yoke and no set stitch that
5 traverses the sleeve, the yoke and a bonding element.” Esquel’s Mot., docket no. 196, at 25.
6 These relationships are required to exist at (or sometimes “along”) the seam by steps (c) and
7 (d) of claim 1 of the ‘615 Patent, elements (b) and (d) of claim 19 of the ‘615 Patent, steps
8 (b) and (c) of claim 1 of the ‘779 Patent, and elements (b) and (d) of claim 20 of the ‘779
9 Patent. Esquel does not move for summary judgment of non-infringement on this “yoke”
10 basis as to the 24,489 shirts that it admits were manufactured with a bonding element affixed
11 to the armhole edge of the yoke. Esquel’s Reply, docket no. 209, at 13 n.5. As a result, this
12 section of the Order only applies to Esquel’s shirts manufactured without a bonding element
13 affixed to the armhole edge of the yoke.

14 Taltech does not dispute that the claimed relationships do not exist at the seam where
15 the yoke and the sleeve are joined by stitches. Instead, Taltech argues that the Court’s
16 construction of “seam” does not describe the length of the seam or whether the seam must
17 correspond to the entire circumference of a shirt armhole. This is true. The Court construed
18 “seam” to mean “the place where at least two pieces of fabric are joined by at least two rows
19 of stitches.” Markman Order at 28. “Along the seam” thus simply means “along the place
20 where at least two pieces of fabric are joined by at least two rows of stitches,” and nothing
21 more. The “two pieces of fabric” joined in the patents-in-suit include a first garment
22 component and second garment component. The Court construed “garment component” to
23 mean “a structural part of a garment, such as a front panel, yoke, rear panel, and sleeve.”
24 Markman Order at 22. Thus, even if the claimed relationships do not exist at the seam where
25 a yoke and a sleeve are joined, Esquel’s method of manufacturing armhole seams and shirts
26 may infringe the patents-in-suit because the claimed relationships may exist at the seam

1 where a front panel and a sleeve are joined, and/or at the seam where a rear panel and a
2 sleeve are joined. Accordingly, the Court rejects this “yoke” argument as a basis for
3 summary judgment of non-infringement as to claims 11 and 12 of the ‘615 Patent and claims
4 18 and 26 of the ‘779 Patent.

5 In contrast to claims 11 and 12 of the ‘615 Patent and claims 18 and 26 of the ‘779
6 Patent, which are not limited to any particular type of seam, the “seam” in claims 14 and 29
7 of the ‘615 Patent and claim 25 of the ‘779 Patent is limited to “a dress shirt armhole” seam.
8 The Court must decide whether “a dress shirt armhole” seam encompasses the entire
9 circumference of the armhole or whether it could mean just part of the circumference of the
10 armhole. Taltech’s expert, Mr. Nienke, has opined that the shape of a dress shirt armhole
11 seam is “circular:”

12 Pucker at the armhole seam of a dress shirt is of particular concern, because the
13 armhole seam is a highly visible part of a dress shirt. The shape of the armhole
14 seam makes it especially difficult to control pucker. An armhole seam is
15 circular, and, to make an armhole seam, it is necessary to join two pieces of
16 garment material that are curved in opposite directions.

17 Stolte Decl., docket no. 202, Ex. E (Nienke Expert Report) at 9 (emphasis added). In a
18 subsequent deposition, Mr. Nienke explains that “[t]he shape of the armhole seam is
19 circular;” that “you join the sleeve to the body” to make an armhole seam; and that “the
20 shape of the armhole seam once closed at the side seam is circular shape.” Taltech’s Reply,
21 docket no. 211, Appendix 11 at 45:7-49:17. There is no intrinsic or extrinsic evidence in the
22 record that contradicts a conclusion that the seam of a dress shirt armhole is circular.

23 Taltech argues that the Court cannot conclude that a dress shirt armhole seam is
24 circular because the doctrine of claim differentiation “create[s] a presumption that each claim
25 in a patent has a different scope.” See Comark Commc’ns, Inc. v. Harris Corp., 156 F.3d
26 1182, 1187 (Fed. Cir. 1998). Claims 13 and 28 of the ‘615 Patent and claim 24 of the ‘779
Patent – which are not asserted by Taltech – require a seam “wherein said first garment
component comprises a front panel, yoke, and rear panel of a dress shirt and said second

1 garment component comprises a shirt sleeve such that said seam is the seam of a shirt
2 armhole.” ‘615 Patent at 7:40-44 and 8:59-63; ‘779 Patent at 8:54-58. As a result, “the
3 seam of a dress shirt armhole” in claims 14 and 29 of the ‘615 Patent and claim 25 of the
4 ‘779 Patent must mean something different than the seam described in claims 13 and 28 of
5 the ‘615 Patent and claim 24 of the ‘779 Patent. As discussed by Esquel, the specifications
6 of the patents-in-suit state that the dress shirt body “usually” comprises a front panel, a yoke,
7 and a rear panel; this leaves open the possibility that the dress shirt body may omit a yoke or
8 be composed of a single piece of fabric. Esquel’s Reply, docket no. 209, at 15 (citing ‘779
9 Patent at 3:25-36); see also ‘615 Patent at 3:35-36. Because a shirt body does not
10 necessarily consist of a front panel, a yoke, and a rear panel, the doctrine of claim
11 differentiation does not preclude a conclusion that the “seam of a dress shirt armhole”
12 referred to in the asserted claims is circular.

13 The Court concludes that “the seam of a dress shirt armhole” is circular. As a result,
14 Taltech cannot prove literal infringement of claims 14 and 29 of the ‘615 Patent and claim 25
15 of the ‘779 Patent because the claimed relationships do not exist in the yoke portion of
16 Esquel’s dress shirt armhole seam. Although Taltech argues that “Esquel has not shown that
17 Taltech would be unable to prove infringement under the doctrine of equivalents,” Taltech’s
18 Opp’n, docket no. 203, at 21, Taltech has failed to submit any evidence to raise a genuine
19 issue of material fact regarding non-infringement under the doctrine of equivalents. See PC
20 Connector Solutions LLC v. SmartDisk Corp., 406 F.3d 1359, 1364 (Fed. Cir. 2005)
21 (“[C]onclusory statements regarding equivalence . . . do not raise any genuine issues of
22 material fact.”). Accordingly, the Court GRANTED Esquel’s motion for summary judgment
23 of non-infringement as to claims 14 and 29 of the ‘615 Patent and claim 25 of the ‘779
24 Patent. However, this part of the Order only applies to Esquel’s shirts manufactured without
25 a bonding element affixed to the armhole edge of the yoke. Whether the 24,489 shirts that
26 were manufactured by Esquel with a bonding element affixed to the armhole edge of the

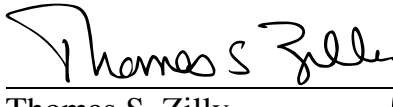
1 yoke infringed claims 14 and 29 of the '615 Patent and claim 25 of the '779 Patent remains
2 to be determined at trial, assuming Taltech continues to pursue this claim at trial in light of
3 its waiver of its claim for past damages. See Taltech's Statement With Respect to Damages,
4 docket no. 218.

5 **F. Conclusion**

6 The Court GRANTED IN PART and DENIED IN PART Esquel's motion for
7 summary judgment of non-infringement. Esquel's motion was GRANTED as follows. As a
8 matter of law, Esquel does not literally infringe claim 29 of the '615 Patent or claims 25 and
9 26 of the '779 Patent because Esquel's seams do not contain the necessary abutment between
10 garment components required by these claims. As a matter of law, Esquel does not infringe,
11 either literally or under the doctrine of equivalents, claims 14 and 29 of the '615 Patent and
12 claim 25 of the '779 Patent because the claimed relationships do not exist in the yoke portion
13 of Esquel's dress shirt armhole seam, in all but 24,489 shirts manufactured by Esquel. In all
14 other respects, Esquel's motion was DENIED.

15 IT IS SO ORDERED.

16 DATED this 15th day of September, 2006.

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19 Thomas S. Zilly
20 United States District Judge
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